

STATE OF TENNESSEE

DEPARTMENT OF ENVIRONMENT AND CONSERVATION State Revolving Fund Loan Program

L & C Tower, 8th Floor 401 Church Street Nashville, TN 37243

CATEGORICAL EXCLUSION DETERMINATION

For the Proposed Project of Smith Utility District (Smith County), Tennessee

Loan No. DGA 2009-094

July 15, 2009

The Tennessee Department of Environment and Conservation's (Department) State Revolving Fund Loan Program has conducted a review of the above-referenced project in accordance with the Operating Agreement between the Department and the U.S. Environmental Protection Agency (EPA) for implementing the Drinking Water State Revolving Fund (DWSRF) Loan Program. The Department has determined that this project is eligible for a Categorical Exclusion (CE). Accordingly, the Department is exempting the project from further substantive environmental review requirements under the Department's EPA-approved National Environmental Policy Act-like environmental review process.

The project consists of the installation of approximately 1,200 radio-read meters. The total estimated project cost is \$300,000. A combination of American Recovery and Reinvestment Act of 2009 funds and a DWSRF loan in the amount of \$300,000 has been requested for this project. This project will be funded with a \$180,000 loan and \$120,000 in principal forgiveness that will not have to be repaid by the Smith Utility District.

The project is eligible for a CE because undertaking this action:

- 1. Does not involve serious local or environmental issues;
- 2. Will not have a significant effect on the quality of the human environment either individually, cumulatively, over time, or in conjunction with other Federal, State, local, tribal or private action(s);
- 3. Will not directly or indirectly affect cultural resources, endangered or threatened species and their habitats, or environmentally important natural resource areas, and
- 4. Is cost-effective and should cause no significant public controversy.

The CE determination shall become effective upon its distribution by the Department and can be revoked at any time adverse information is made available. The documentation to support this CE eligibility determination will be on file with the Department and available for public review upon request.

If you wish to comment or to challenge this CE determination, send your written comment(s) to:

Mr. Sam R. Gaddipati, Environmental Manager State Revolving Fund Loan Program L & C Tower, 8th Floor 401 Church Street Nashville, TN 37243

or contact him by telephone at (615) 532-0445 or by e-mail at sam.gaddipati@tn.gov.